

R 271758Z MAY 08
FM AMEMBASSY PRETORIA
TO SECSTATE WASHDC 4567
INFO USMISSION UNVIE VIENNA
CIA WASHINGTON DC
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SECDEF WASHDC

S E C R E T PRETORIA 001122

DEPT FOR AF/S, ISN/MTR

E.O. 12958: DECL: 05/26/2018
TAGS: [PARM](#) [PREL](#) [MTCRE](#) [SF](#) [IR](#)

SUBJECT: (S) IRANIAN COMPANY INTEREST IN PROCURING VACUUM
FURNACE FROM POSSIBLE SOUTH AFRICAN PROVIDER

REF: A. SECSTATE 053303
[1](#)B. PRETORIA 0275

Classified By: Deputy Chief of Mission Don Teitelbaum. Reasons 1.4(b) and (d).

[1](#)1. (S) DepPolCouns presented Ref A points to DFA Deputy Director: Nuclear Disarmament and Non-Proliferation Michiel Combrink on 27 May. Combrink expressed appreciation for the information and pledged to act on it "immediately". He agreed to provide informal feedback to DepPolCouns, if at all possible, acknowledging that it took a long time to gain approvals to prepare and transmit a formal response.

[1](#)2. (S) Recently returned from the NSG plenary in Berlin, Combrink asked how old Ref A information was, commenting that in his experience it was best to act on such items "as quickly as possible". A/PolCouns noted that the item had come in the previous week, while Combrink and other SAG nuclear proliferation experts were in Berlin. Combrink (strictly protect) regretted the delay, but explained that it was necessary. He admitted that, by the direction of NPC Chair Abdul Minty, only he and Department of Trade and Industry NPC rep Daan van Beek were authorized to act on "sensitive" cases such as the one detailed Ref A. Combrink and van Beek meet personally, on behalf of the NPC, with companies to discuss potential transactions of proliferation concern, as they did in the case of Ref B. Providing Ref A information through any other SAG channel would "limit" SAG flexibility in cases where there was no clear legal grounds for license denial, because if the information is shared more broadly the NPC response must be executed "by the book".

[1](#)3. (S) Combrink (strictly protect) expressed appreciation for the specific link (NOTE: in bullet #4 of Ref A nonpaper) to a UNSCR 1737 designated entity, commenting that this would give them clear legal grounds for acting on the information. Speaking informally, he revealed that "while this makes things a lot easier", the SAG continued to have no qualms about quietly leaning on companies who were considering entering into transactions of real concern even when those transactions cannot legally be prevented. When he and van Beek visit a company that falls into such a category, they make clear they know what is being contemplated; they review in detail the company's obligations under domestic and international law, South African obligations under UN Security Council resolutions, and even the provisions of "extraterritorial executive orders -- which we don't like"; and, they emphasize the risks the company could be undertaking in pursuing the transaction. In the end, if they have no legal grounds on which to act, they cannot prevent the company from going ahead with the deal. However, they make sure the company is aware of the SAG's views.

[1](#)4. (S) Combrink (strictly protect) revealed that there has been more than one occasion on which he and van Beek had had such a talk with a South African company "which we have not discussed with your government and which we are unlikely to

discuss with you in the future." While he was unwilling to share any details, he did report that to date he was not aware of any transaction of proliferation concern that had gone forward.

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